



8011-01P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-83383; File No. SR-NASDAQ-2017-087]

Self-Regulatory Organizations; The NASDAQ Stock Market LLC; Notice of Withdrawal of Proposed Rule Change to Modify the Listing Requirements Related to Special Purpose Acquisition Companies Listing Standards to Reduce Round Lot Holders on Nasdaq Capital Market for Initial Listing From 300 to 150 and Eliminate Public Holders for Continued Listing from 300 to Zero, Require \$5 Million in Net Tangible Assets for Initial and Continued Listing on Nasdaq Capital Market, and Impose a Deadline to Demonstrate Compliance with Initial Listing Requirements on All Nasdaq Markets Within 30 Days Following Each Business Combination

June 5, 2018

On September 20, 2017, The NASDAQ Stock Market LLC (“Nasdaq” or “Exchange”) filed with the Securities and Exchange Commission (“Commission”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder,² a proposed rule change to modify the listing requirements for securities of Special Purpose Acquisition Companies (“SPACs”) listed on the Nasdaq Capital Market by reducing the number of round lot holders required for initial listing from 300 to 150, and eliminating the continued listing requirement for a minimum number of holders, which is also currently 300, that applies until the SPAC completes one or more business combinations.³ Nasdaq also proposed to require

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Nasdaq Rule IM-5101-2(b).

that a SPAC maintain at least \$5 million net tangible assets for initial and continued listing of its securities on the Nasdaq Capital Market. Finally, Nasdaq proposed to allow SPACs listed on any of its three listing tiers (Nasdaq Global Select Market, Nasdaq Global Market, and Nasdaq Capital Market) 30 days to demonstrate compliance with initial listing requirements following each business combination.⁴

The proposed rule change was published for comment in the Federal Register on October 11, 2017.⁵ In response, the Commission received six comments on the proposal.⁶ On November 22, 2017, the Commission extended the time period within which to approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to approve or disapprove the proposed rule change, to January 9, 2018.⁷ On January 9, 2018, the Commission issued an order instituting proceedings under Section 19(b)(2)(B) of the Act to determine whether to approve or disapprove the proposed rule change (“OIP”).⁸ The Commission received three additional comments, one of which included a response from

⁴ The Exchange also proposed to delete a duplicative paragraph from the rule text and alter the paragraph’s formatting within certain provisions in order to enhance the rule’s readability.

⁵ See Securities Exchange Act Release No. 81816 (October 4, 2017), 82 FR 47269 (October 11, 2017) (“Notice”).

⁶ See Letters to Brent J. Fields, Secretary, Commission, from Jeffrey M. Solomon, Chief Executive Officer, Cowen and Company, LLC, dated October 19, 2017 (“Cowen Letter”); Jeffrey P. Mahoney, General Counsel, Council of Institutional Investors, dated October 25, 2017 (“CII Letter”); Sean Davy, Managing Director, Capital Markets Division, SIFMA, dated October 31, 2017 (“SIFMA Letter”); Akin Gump Strauss Hauer & Feld LLP, dated November 1, 2017 (“Akin Gump Letter”); Steven Levine, Chief Executive Officer, EarlyBirdCapital, Inc., dated November 3, 2017 (“EarlyBird Letter”); and Christian O. Nagler and David A. Curtiss, Kirkland & Ellis LLP, dated November 9, 2017 (“Kirkland Letter”).

⁷ See Securities Exchange Act Release No. 82142 (November 22, 2017), 82 FR 56293 (November 28, 2017).

⁸ See Securities Exchange Act Release No. 82478 (January 9, 2018), 83 FR 2278 (January 16, 2018).

Nasdaq.⁹ On April 6, 2018, the Commission designated a longer period for the Commission to issue an order approving or disapproving the proposed rule change.¹⁰ On June 1, 2018, the Exchange withdrew the proposed rule change (SR-NASDAQ-2017-087).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹¹

Eduardo A. Aleman,

Assistant Secretary.

⁹ See Letters to Brent J. Fields, Secretary, Commission, from Jeffrey P. Mahoney, General Counsel, Council of Institutional Investors, dated January 25, 2018 (“CII Letter II”); Paul D. Tropp, Freshfields Bruckhaus Deringer US LLP, dated January 30, 2018 (“Freshfields Letter”); and Arnold Golub, Deputy General Counsel, Nasdaq, dated February 23, 2018 (“Nasdaq Response Letter” or “Response Letter”).

¹⁰ See Securities Exchange Act Release No. 83010 (April 6, 2018), 83 FR 15880 (April 12, 2018).

¹¹ 17 CFR 200.30-3(a)(12).

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